

As amended by the Planning and Land Use Management Committee on
February 21, 2017

CONDITIONS OF APPROVAL

Project Permit Compliance (Ventura-Cahuenga Boulevard Corridor Specific Plan)

1. **Site Development.** Except as modified herein, the project shall be in substantial conformance with the plans and materials submitted by the Applicant, labeled "Exhibit A", dated November 4, 2016, attached to the subject case file. Minor deviations may be allowed in order to comply with the provisions of the Municipal Code, the project conditions, or the project permit authorization.
2. **Use.** The project shall be limited to 335 residential (apartment) units, approximately 367,926 square feet, including a leasing office and recreational amenities.
3. **Floor Area.** The project shall be limited to a maximum of 2.1:1 Floor Area Ratio (as conditioned by "off-menu" incentive pursuant to providing 17 units of Very Low Affordable housing units, as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units (2.5%) set aside for Very Low Income units not subject to the State Density Bonus Law 65915 (C)(2)).
4. **Demolition.** This approval shall permit the demolition of the existing structures on site, including an office building, shed, carport, and removal of existing trees on site. No street trees shall be removed without a permit approval from the Urban Forestry Division.
5. **Height.** The maximum height of the project shall not exceed 56 feet (as conditioned by "off-menu" incentive pursuant to providing 17 units of Very Low Affordable housing units, as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units (2.5%) set aside for Very Low Income units not subject to the State Density Bonus Law 65915 (C)(2)).
6. **Mechanical and Rooftop Equipment Screening.** No mechanical or rooftop equipment shall be visible from Clarendon Street, and shall be screened behind architectural elements.
7. **Site and Parking Lot Landscaping.** The landscaping on site shall be in substantial conformance with the submitted planting and irrigation plan per Exhibit A dated November 4, 2016 and as follows:
 - a. A minimum 15-foot landscaped buffer shall be located along the north property line adjacent to U.S. 101 Freeway use. In addition to the 6 existing trees, an additional 34, 36-inch box trees shall be planted in a single row along the northern property line.
 - b. Notwithstanding Condition A.17 requiring consultation with the Urban Design Studio, the applicant shall provide a minimum of 13 trees along the western property line, and a minimum of 14 trees along the eastern property line.
 - c. A minimum of three (3), 24-inch box trees (shade trees) shall be planted and dispersed among the four (4) surface parking spaces assigned for the leasing office.
 - d. A minimum of 1,357 square feet of landscaping shall be provided on the garage roof area.

- e. The applicant shall maintain the landscape in a good, healthy condition by performing daily maintenance, removing trash, and replacing any dead plant materials, broken irrigation sprinklers and watering devices.
8. **Parkway Improvements.** Street trees shall include 36-inch box shade tree (American Sweetgum, Liquidamber *Styraciflua*) planted in the front parkway area. All plantings, irrigation system, and pathways in the parkway area shall be to the satisfaction of Los Angeles Bureau of Engineering and the Urban Forestry Division.
9. **Project Impact Assessment Fee.** Prior to Planning clearance, the applicant shall make arrangements with the Department of Transportation (DOT) to assure:
 - a. All requirements and conditions listed in the DOT traffic assessment letter dated August 24, 2016 and all subsequent revisions to this traffic assessment.
 - b. A parking area and driveway plan be submitted to the Citywide Planning Coordination Section of the Department of Transportation for approval prior to the submittal of building permit plans for plan check by the Department of Building and Safety. Transportation approvals are conducted at 6262 Van Nuys Boulevard, Suite 320, Van Nuys, CA 91401.
 - c. That a fee in the amount of \$197 be paid to the Department of Transportation as required by Ordinance No. 180,542 and LAMC Section 19.15. Note: The Applicant may be required to comply with any other applicable fees per this new ordinance and as provided in the Department of Transportation assessment letter dated August 4, 2016.

NOTE: PIA fees to be paid are subject to change due to increases to the Annual Indexing as determined by the DOT.

10. **Streetscape Improvements.** The developer shall make a contribution of \$300,000, prior to the issuance of any Certificate of Occupancy (Temporary or Final), to be deposited in a new account in the City's Ventura/Cahuenga Boulevard Corridor Specific Plan Fund 523, entitled "Streetscape/Multi-Modal Improvements in Council District Three" for the purpose of providing funding for streetscape elements including, but not limited to, street trees, street lighting, street furniture, street signage, benches, crosswalk enhancements, and multi-modal improvements such as convenient and secure bicycle parking, and to conduct studies related to streetscape and multi-modal improvements. Any funds referenced pursuant to this condition not obligated within five years of payment by the Applicant, shall be refunded to the Applicant by the Department of Transportation so long as the refund is specifically authorized by resolution of the City Council.
11. **Lighting.** Lighting should be directed onto the site, and be adequately aimed and shielded so as to not spill over onto adjacent properties, especially into areas planned and zoned for residential uses.
12. **Signage.** No signage was requested by the Applicant. A new application for project permit compliance shall be filed, along with corresponding fees, for review of any signage proposed for the project.
13. **Specific Plan Covenant and Agreement.** A Covenant and Agreement shall be recorded for the conditions of approval established herein, acknowledging the contents and limitations of the Ventura/Cahuenga Boulevard Corridor Specific Plan, with the Los Angeles County Recorder. The Covenant and Agreement shall run with the land and shall

be binding on any subsequent property owners, heirs or assigns and shall be submitted to the Department of City Planning for approval prior to being recorded. After recording, a copy bearing the County Recorder's number and date shall be provided to the Department of City Planning for attachment to the administrative file.

14. **Modifications.** Any modifications, change-of-use or increase in floor area of the property shall be cause for separate discretionary review pursuant to Section 11.5.7 of the LAMC and other applicable statutory requirements.

Administrative Conditions of Approval

15. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, reviews or approvals, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning for placement in the subject file.
16. **Code Compliance.** All area, height and use regulations of the zone classification of the subject property shall be complied with, except wherein these conditions explicitly allow otherwise
17. **Covenant.** Prior to the issuance of any permits relative to this matter, an agreement concerning all the information contained in these conditions shall be recorded in the County Recorder's Office. The agreement shall run with the land and shall be binding on any subsequent property owners, heirs or assign. The agreement must be submitted to the Planning Department for approval before being recorded. After recordation, a copy bearing the Recorder's number and date shall be provided to the Planning Department for attachment to the file.
18. **Definition.** Any agencies, public officials or legislation referenced in these conditions shall mean those agencies, public offices, legislation or their successors, designees or amendment to any legislation.
19. **Enforcement.** Compliance with these conditions and the intent of these conditions shall be to the satisfaction of the Planning Department and any designated agency, or the agency's successor and in accordance with any stated laws or regulations, or any amendments thereto.
20. **Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the City Planning Department and the Department of Building and Safety.
21. **Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the City Planning Commission, or the Director pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if, in the Commission's or Director's opinion, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
22. **Indemnification.** Applicant shall do all of the following
 - a. Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside,

- void or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- b. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
 - c. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$25,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (b).
 - d. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (b).
 - e. If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the Applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Action includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

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FINDINGS

1. General Plan/Charter Findings

General Plan Land Use Designation. The project site is located within the Canoga Park-Winnetka-Woodland Hills-West Hills Community Plan, updated and adopted by the City Council on August 17, 1999. The Plan designates the subject property as Community Commercial corresponding to the CR, C2, C4, RAS3, and RAS4 Zones. The existing CR-1VLD Zone is consistent with the land use designation of Community Commercial of the General Plan as reflected in the adopted community plan. The proposed project is providing new residential and commercial opportunities to an underutilized site without displacing any existing tenants. As such, the project is consistent with General Plan land use designation of the site. Those portions of the Project Site that are zoned for commercial use are presently zoned CR, which permits an R4 residential density (1 dwelling unit per 400 square feet of lot area). R4 development of the Project Site would permit 460 apartments. The Project proposes 335 apartments (including 17 apartments set aside for Very Low Income households as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2) pursuant to the action taken by the City Planning Commission at its November 17, 2016 meeting). However, the number of apartments (including the Projects Very Low Income set aside units) would not be feasible even with uniform CR zoning because the Project Site's corresponding Height District for the CR zone would limit the Property to a floor area ratio of 1:5:1.

a. **General Plan Text.** The Canoga Park-Winnetka-Woodland Hills-West Hills Community Plan text includes the following relevant land use issues and opportunities:

- Lack of open space in apartment projects.
- Ensure that the location of low and moderate income housing is equitably distributed throughout the Plan area predicted on a fair share basis in relationship to all other planning areas.
- Maintain access and proximity to employment.

The proposed project is required to provide 46,400 square feet of open space but will nevertheless provide approximately 51,012 square feet of open space. The proposed open space will consist of court yards, private decks, a walking trail, dog park, and seating areas within the public right-of-way.

The proposed project will provide 335 residential units of which 17 will be set-aside for Very Low Income Housing as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2) pursuant to the action taken by the City Planning Commission at its November 17, 2016 meeting. The project will be located in the community of Woodland Hills which historically has lacked the

opportunity to provide affordable housing options within its planning area. Therefore, locating affordable housing in Woodland Hills would distribute Very Low Income Housing opportunities in an equitable manner through the City of Los Angeles.

The proposed project will be located within half a mile from the intersection of Ventura Boulevard and Topanga Canyon Boulevard. In addition to providing access to employment opportunities along Ventura Boulevard, multiple transit options are located at the intersection of Ventura Boulevard and Topanga Canyon Boulevard. Transit options are provided by the Metro Rapid Bus which connects to various employment centers throughout the San Fernando Valley including, hospitals, shopping centers, colleges, and entertainment centers.

- b. **General Plan Framework** The proposed project supports the following goals under the adopted General Plan Framework as adopted by City Council on August 8, 2001.

Policy 3.9.1 – Accommodate the development of commercial-serving uses and services and dwelling units in areas designated as "Commercial Center" in accordance with Tables 3-1 and 3-5. The range and densities/intensities of uses permitted in any area shall be identified in the community plans.

Policy 4.2.1 – Offer incentives to include housing for very low- and low-income households in mixed-use developments.

According to the General Plan Framework Long-Range Land Use Diagram, the project site, located between the U.S. 101 Freeway and Ventura Boulevard, is designated a Community Center. Currently the surrounding neighborhood is a mix of commercial retail, office and residential uses within walking distance from the Ventura Boulevard commercial corridor. Providing additional residential uses would increase the residential base thus providing housing near employment opportunities. Residential development, among commercial uses, located in proximity of these Community Centers will shorten and lessen the need for vehicle trips and vehicle miles traveled. Furthermore, the project provides 5 percent (17 units) Very Low Income affordable housing units as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2) pursuant to the action taken by the City Planning Commission at its November 17, 2016 meeting. As such, the development of new residential units, among commercial uses, that are providing affordable units is consistent with Policy 3.9.1 and 4.2.1 of the General Plan Framework.

- c. The **Mobility Element**: Mobility Plan 2035, the Mobility Element of the General Plan, will not be negatively impacted by the recommendation herein. The project is consistent with the five goals of the plan to provide:

1. Safety First
2. World Class Infrastructure
3. Access for all Angelenos
4. Collaboration, Communication and Informed Choices
5. Clean Environments & Healthy Communities

Pursuant to the Mobility Plan 2035, the designations of the project's adjacent streets are: Clarendon Street adjoining the subject site to the south, is designated as a local street dedicated with a variable width of 60 feet and is improved with curb, gutters and sidewalk. Glade Street is a local street with a variable width of 60 feet and is improved with curb and gutters. Farralone Avenue is a local street with a variable wide of 60 feet and is improved with curbs and gutters. Topanga Canyon Boulevard is designated as a Boulevard II with a variable width between 114 to 130 feet and is improved with curb, gutters and sidewalks. Ventura Boulevard is a Boulevard II with a variable width of 120 feet and is improved with curb, gutter and sidewalks. The project will reduce the number of current driveways providing ingress and egress from six driveways to two driveways, thereby reducing pedestrian/vehicle conflicts.

The infrastructure will not be affected by the trip generation associated with the project as the project will result in a decrease in trips generated by the existing use. In addition, as the project is located in the Ventura-Cahuenga Boulevard Corridor Specific Plan, the applicant and its successor shall be responsible for payment of the Project Impact Assessment fee in accordance with the Department of Transportation Assessment letter dated August 24, 2016. Further, the project has been conditioned such that 20% of the code required parking will support electric vehicles with 5 percent to be provided with EV chargers immediately. To provide additional choices for clean environments, the project will provide 369 bicycle parking with long-term and short term parking.

In addition, the project is located with half a mile of transit options at the intersection of Ventura Boulevard and Topanga Canyon Boulevard which is well served by the following regional and local bus lines: Metro Lines 150, 161, 169, 244, 245, and LADOT Commuter Express 423, as well as a beach bus provided by the Los Angeles Department of Public Works.

d. **Housing Element**

The Housing Element of the General Plan provides land use policies and programs that encourage development of affordable housing across the City. The project is consistent with the following policies of the Housing Element of the General Plan:

Policy 1.1.2 – Promote affordable rental housing for all income groups that need assistance.

Policy 1.1.3 – Facilitate new construction of a variety of housing types that address current and projected needs of the city's households.

An objective of the Housing Element is to promote an equitable distribution of affordable housing opportunities throughout the City by providing incentives to include affordable housing in residential development. The subject site is located on Clarendon Street within half a mile of the intersection of Topanga Canyon Boulevard and Ventura Boulevard, providing access to transit options which connect to the Orange Line Busway at Warner Center further connecting to the Redline subway to various destinations from the Valley to Downtown Los Angeles. The project would further the goals and objectives of the Housing Element by providing additional housing stock in a variety of types, along with much

needed affordable housing units for Very Low Income households on a site that is within proximity to amenities and public transportation and the Ventura-Cahuenga Boulevard commercial corridor offering employment opportunities and services to the residents of the project

2. Zone Change/Height District Findings

- a. **Pursuant to Section 12.32.C.7 of the Los Angeles Municipal Code, the recommended action is deemed consistent with the General Plan and is in conformity with public necessity, convenience, general welfare and good zoning practice.**

The granting of the proposed Zone Change will result in a project that is in conformance with public necessity and convenience by providing housing that is within half a mile from public transit. The Project proposes a uniform zone of RAS4-1L across the Project Site. The Project Site is presently comprised of 14 lots/parcels, which are classified in the CR-1VLD, R1-1VL, and P-1VLD Zones. The parcel lots on which the Project Site's buildings are presently zoned CR-1VLD, although portions of the post office building extend into the P-1 and R1 zone. The RAS4 Zone would permit the construction of 335 dwelling units near the Ventura Boulevard Commercial Corridor and public transit options providing additional access to various employment centers throughout the San Fernando Valley and beyond.

The granting of proposed Zone Change will promote the general welfare by improving an area with replacement of older buildings with a well-articulated facade and landscaping to create a more aesthetically pleasing environment. Public plazas will be provided along the frontage of the building to serve as pedestrian entryways into the residential development. Further, existing driveways will be reduced to two driveways which will improve pedestrian welfare by reducing the conflicts between pedestrian and vehicles.

Good Zoning Practices: The initial purpose of the RAS zone is to encourage the revitalization of commercial corridors by encouraging the development of needed multi-family housing and by providing development standards for such existing projects. The RAS zone permits a maximum floor area ratio of 3:1. Accordingly, a zone change to RAS4 is proposed which will not permit greater density than the allowed pursuant to CR zoning, but will permit the proposed 2.1:1 floor area ratio of the Project. To enable the Project's proposed five story height (56'-0") and FAR of 2.1:1, the Project proposes a corresponding Height District of 1L.

The proposed zone RAS4 zone and height district change will bring the site into a uniform zoning pattern compatible with the Community Plan and will enable the development of much needed new, high quality multi-family rental housing (including housing set aside for Very Low Income households) in a commercial area, adjacent to transit and services, that will contribute to the revitalization of an underutilized commercial area.

Uniform RAS4 zoning will create a more viable development option for the proposed Project Site, which will increase the diversity of housing opportunities and will help meet the demand for additional housing for the area. There is a need for additional

housing for all income levels and housing types, and the project will create more opportunities for high quality rental housing in the vicinity. The RAS4 zone will not increase permitted residential density over the existing CR designation that is currently applied to portions of the Project Site where buildings are located, but will provide feasible development standards to enable high quality multi-family development among the residents.

The location of the RAS4 is also consistent with the Specific Plan which seeks, among other things, to assure equilibrium between the transportation infrastructure and land use development in the Specific Plan area, and to promote an attractive pedestrian environment that will encourage pedestrian activity and reduce traffic congestion.

The Project's location proximate to public transit opportunities would also decrease vehicle trips. The Project Site is located less than half a mile from the major intersection of Topanga Canyon Boulevard and Ventura Boulevard, which is served by a Metro Rapid Stop allowing a convenient connection to the Warner Center Transit Hub located north of the subject site off Topanga Canyon Blvd. The Metro Rapid Line 750 also travels east along Ventura Blvd providing metro access to other south valley communities such as Tarzana, Encino and Sherman Oaks.

b. **Findings for T and Q Classifications**

The current action, as recommended, has been made contingent upon compliance with new "T" and "Q" conditions of approval imposed herein for the proposed project. The "T" Conditions are necessary to ensure the identified dedications, improvements, and actions are undertaken to meet the public's needs, convenience, and general welfare served by the actions required. These actions and improvements will provide the necessary infrastructure to serve the proposed community at this site. The "Q" conditions that limit the scale and scope of future development on the site also are necessary to protect the best interests of and to assure a development more compatible with surrounding properties and the overall pattern of development in the community, to secure an appropriate development in harmony with the General Plan, and to prevent or mitigate the potential adverse environmental effects of the subject recommended action.

3. **Affordable Housing - Density Bonus Compliance Findings**

Pursuant to Section 12.22 A.25(c) of the LAMC, the City shall approve a density bonus and requested incentive(s) unless the director finds that:

- a. **The incentives are not required to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.**

The record does not contain substantial evidence that would allow the City Planning Commission to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing

costs for very low, low, and moderate income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

The list of on-menu incentives in 12.22 A.25 were pre-evaluated at the time the Density Bonus Ordinance was adopted to include types of relief that minimize restrictions on the size of the project. As such, the density bonus on-menu incentives are required to provide for affordable housing costs because the incentives by their nature increase the scale of the project. However, this list of on-menu incentives would not provide the needed relief from the Ventura-Cahuenga Boulevard Corridor Specific Plan that would be needed to construct the subject project which would require two specific plan exceptions to permit an increase in floor area from 1.5:1 to 2.1:1 and a permitted height of 56 feet in lieu of the 45-foot height limit. Therefore, the applicant has applied for two off-menu incentives for an increase in FAR and height.

The requested off-menu incentives are not expressed in the Menu of Incentives per LAMC 12.22-A,25(f) and, as such, are subject to LAMC 12.22-A,25(g)(3), which requires a pro forma or other documentation to show that the waiver or modification of any development standards are needed in order to make the Restricted Affordable Units feasible.

The applicant submitted a pro forma, along with an independent third-party financial analysis of the pro forma in order to evaluate the financial feasibility of the project, attached as Exhibit D. Two scenarios were evaluated. In Scenario 1, an FAR of 1.25 was applied to the site with a height of 45 feet and configured into 195 total rental units, including 185 market rate units and 10 Very Low Income Restricted Affordable Units compared to the proposed project with an FAR of 2.1:1 and height of 56 feet. Scenario 2 evaluated a reduction of the requested FAR of 2.1:1 to 1.25 with the same number of units, 335 of which 17 would be Very Low Income Restricted Affordable Units. Both scenarios would yield an average unit size of 497 square feet. In contrast to the proposed project with incentives would yield an average unit size of 855 square feet consistent with market standards. Without the off-menu incentives the total investment required would not justify the project due to the constrained size of the units whereby the finished value of the project which would result in less than the cost of its development. Therefore the requested incentives ensure that the project as proposed is financially feasible. The requested off-menu incentives allow the developer to increase the project's FAR and height. These incentives support the applicant's decision to set aside 17 units for Very Low Income households for a period of 55 years. In addition, at its November 17, 2016 meeting, the City Planning Commission approved an additional 9 units to be set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2).

Requested Off-Menu Incentives

- FAR: Sec. 6.B.(a) of the Ventura-Cahuenga Boulevard Specific Plan limits the Floor Area Ratio of projects in the Community Commercial designation to 1.25:1

- Height Sec. 7.E.1(e)(3) of the Ventura-Cahuenga Boulevard Specific Plan limits the height of structures within the project site to 45 feet.

The project proposes an FAR of 2.1:1 and maximum height of 56 feet. Notwithstanding FAR and height restrictions of the Specific Plan, the proposed RAS Zone would permit a density of 460 units. The proposed project would provide a maximum 335 residential units with 5% set aside for Very Low Income units as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2) pursuant to the action taken by the City Planning Commission at its November 17, 2016 meeting. Reducing the FAR to 1.5:1 for the 335 unit development would result in units with an average size of 497 square feet. In contrast, an FAR of 2.1:1 would result in units with an average size of 855 square feet compatible with typical market standards. Providing for a height of 56 feet provides for a building envelope that permits a higher building which allows open space amenities such as courtyards. Therefore, the off-menu housing incentives would allow the developer to build the project's building envelope so that the units being constructed are of sufficient size, configuration, and quality, while providing 17 units set aside for Very Low Income housing and an additional 9 units set aside for Very Low Income units not subject to the State Density Bonus Law 65915(C)(2).

- b. The Incentive will have a specific adverse impact upon public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources and for which there are no feasible method to satisfactorily mitigate or avoid the specific adverse Impact without rendering the development unaffordable to Very Low, Low and Moderate Income households; or the incentive will be contrary to state or federal law. Inconsistency with the zoning ordinance or the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.**

There is no substantial evidence in the record that the proposed incentive or waivers will have a specific adverse impact. A "specific adverse impact" is defined as, "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22.A.25(b)). Further there is no substantial evidence in the record that the Project will have an adverse impact on any real property that is listed in the California Register of Historical Resources, or evidence that the waiver or incentive is contrary to state or federal law.

DENSITY BONUS LEGISLATION BACKGROUND

The California State Legislature has declared that "[t]he availability of housing is of vital statewide importance," and has determined that state and local governments have a responsibility to "make adequate provision for the housing needs of all economic segments of the community." Section §65580, subds. (a), (d). Section 65915 further provides that an applicant must agree to, and the municipality must ensure, the "continued affordability of all low and very low income units that qualified the applicant" for the density bonus.

NOTE: California State Assembly Bill 2222 went into effect January 1, 2015. It introduces rental dwelling unit replacement requirements, which pertain to cases filed (not issued) as of January 1, 2015. This determination letter does not reflect replacement requirements because the case application was submitted to the Department of City Planning on December 22, 2014, prior to the effective date of the amended Law. The new state law also increases covenant restrictions from 30 to 55 years for cases issued (not just filed) as of January 1, 2015. This determination letter does reflect 55 year covenant restrictions, given that the case decision, or approval, as noted on the front page, is being issued after January 1, 2015. In addition, the proposed project is being developed on what is currently a vacant lot. However, this lot was previously used for commercial purposes and has never been used for residential purposes as it is located adjacent to a former railroad freight line.

With Senate Bill 1818 (2004), state law created a requirement that local jurisdictions approve a density bonus and up to three “concessions or incentives” for projects that include defined levels of affordable housing in their projects. In response to this requirement, the City created an ordinance that includes a menu of incentives (referred to as “on-menu” incentives) comprised of eight zoning adjustments that meet the definition of concessions or incentives in state law (California Government Code Section 65915). The eight on-menu incentives allow for: 1) reducing setbacks; 2) reducing lot coverage; 3) reducing lot width, 4) increasing floor area ratio (FAR); 5) increasing height; 6) reducing required open space; 7) allowing for an alternative density calculation that includes streets/alley dedications; and 8) allowing for “averaging” of FAR, density, parking or open space. In order to grant approval of an on-menu incentive, the City utilizes the same findings contained in state law for the approval of incentives or concessions.

Under Government Code Section § 65915(a), § 65915(d)(2)(C) and § 65915(d)(3) the City of Los Angeles complies with the State Density Bonus law by adopting density bonus regulations and procedures as codified in Section 12.22 A.25 of the Los Angeles Municipal Code. Section 12.22 A.25 creates a procedure to waive or modify zoning code standards which may prevent, preclude or interfere with the effect of the density bonus by which the incentive or concession is granted, including legislative body review. The Ordinance must apply equally to all new residential development.

In exchange for setting aside a defined number of affordable dwelling units within a development, applicants may request up to three incentives in addition to the density bonus and parking relief which are permitted by right. The incentives are deviations from the City’s development standards, thus providing greater relief from regulatory constraints. Utilization of the Density Bonus/Affordable Housing Incentives Program supersedes requirements of the Los Angeles Municipal Code and underlying ordinances relative to density, number of units, parking, and other requirements relative to incentives, if requested.

For the purpose of clarifying the Covenant Subordination Agreement between the City of Los Angeles and the United States Department of Housing and Urban Development (HUD) note that the covenant required in the Conditions of Approval herein shall prevail unless pre-empted by State or Federal law.

FINANCIAL ANALYSIS/PRO-FORMA

Pursuant to the Affordable Housing Incentive Density Bonus provisions of the LAMC (Section 12.22 A.25) proposed projects that involve off-menu incentives are required to complete the

Department's Master Land Use Permit Application form and "a pro forma or other documentation." The applicant submitted a pro-forma attached as Exhibit D. However, off-menu density bonus cases do not have different findings from on-menu cases and do not require explicit financial analysis in the form of cap rates, construction costs, operating income and expenses. The City typically has the discretion to request additional information when it is needed to help make required findings.

Project Permit Compliance Findings (Ventura-Cahuenga Boulevard Corridor Specific Plan)

1. The proposed project substantially complies with the applicable regulations, findings, standards, and provisions of the Ventura-Cahuenga Boulevard Corridor Specific Plan as follows:

a. Section 5.C: Uses.

The proposed use of multi-family residential and leasing office are permitted uses under the Specific plan. As such, the proposed project uses comply with the Specific Plan.

b. Section 6.B: Floor Area Ratio (FAR).

Notwithstanding Sec. 6.B to the contrary, the FAR limitation for this site shall be 2.1:1:1 in accordance with approval of an "off-menu" incentive for providing 17 units of Very Low Income affordable housing units as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2). As such the project has been granted a modification of the Specific Plan's floor area ratio development standards.

c. Section 7.A: Yards.

The project has a varied front yard setback of between 18 inches to 10 feet in order to provide articulation of the building facade and create interest with a line of sight into the main project courtyard. The side yard setbacks identified in Sec. 7.A.2.b. are applicable to commercial development. Projects with residential zoning, in this case, RAS4 Zone, are referred to Sec. 12.11.5 of the LAMC which requires a minimum 5 feet for side yards. The rear yard setback is proposed at 15 feet abutting the U.S. 101 Freeway. As such, the project complies with the setback requirements.

d. Section 7.B: Lot Coverage.

The Specific Plan limits lot coverage for projects within Community Commercial Plan designations to 75%. The project proposes a lot coverage of approximately 62% of the site consisting of a building footprint of 80,535 square feet, garage footprint of 33,463 square feet providing for a total footprint of 113,998 square feet. Given the total site area is 183,799 square feet, the proposed development results in a lot coverage of 62% below the maximum permitted by the Plan. Therefore, this project complies with the lot coverage restrictions.

e. Section 7.C: Driveways.

There are six existing two-way driveways located along Clarendon Street. The project will reduce the number of driveways from six to two. Both driveways would be two-way driveways. The reduction in driveways will reduce pedestrian/vehicle conflicts and allow for easy ingress and egress of the site. Pursuant to Sec. 7C, the linear frontage

of the lot is greater than 250 feet, therefore no project review is required for the project driveways. As such, the project complies with driveway requirements.

f. Section 7.D: Landscaping.

As per Condition of Approval Number 7, the Project will provide a total of 40 trees (34, 36-inch box size plus 6 existing) along the rear setback area of the northern property line. The landscaping requirement for surface parking lots is one (1) tree for every four (4) parking space ratio. In this case, there are 4 surface parking spaces, therefore a minimum of one (1) tree would be required. Nevertheless, the applicant has proposed three (3) 24-inch box trees to be dispersed among the four surface parking spaces. The project provides an 18 inch to 10 foot landscape buffer along the south property line which will include a variety of trees including California Fan Palms at 18 foot Brown Trunk Height, 48" box Australian Willows and 36' box African sumacs. In this case, there is a landscaping across the entire varied front yard setback (except for driveways and pathways) totaling approximately 4,114 square feet (71%). In addition, the project has been conditioned to provide landscaping in the amount of 1,357 (4%) on the garage roof area. As such, the project complies with the landscaping requirements.

In addition, the Developer will provide \$300,000, prior to the issuance of any Certificate of Occupancy (Temporary or Final), to be deposited in a new account in the City's Ventura/Cahuenga Boulevard Corridor Specific Plan Fund 523, entitled "Streetscape/ Multi-Modal Improvements in Council District Three" to provide funding for streetscape elements including, but not limited to, street trees, street lighting, street furniture, street signage, benches, crosswalk enhancements, and multi-modal improvements such as convenient and secure bicycle parking, and to conduct studies related to streetscape and multi-modal improvements. These proposed streetscape and multi-modal improvements promote, and are consistent with, the objectives of the Woodland Hills Streetscape Plan, as they will enhance the aesthetic of the neighborhood and promote a pedestrian friendly environment.

g. Section 7.D.6: Vacant Lots.

If any lot becomes vacant with no Project, the owner shall maintain a solid, living, green ground cover of landscaping on the entire vacant lot. This requirement shall apply whether the lot is vacant by the owner's choice or because no Project is permitted by the Department of Building and Safety within 180 days of the issuance of a demolition permit.

h. Section 7.E: Height.

The height limit per the Specific Plan for the project site is 45 feet. The project's proposed height of approximately 56 feet, pursuant to approval of an "off-menu" incentive for providing 17 units of Very Low Income affordable housing units as defined by the State Density Bonus Law 65915(C)(2), with an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2). As such, the project has been granted a modification in the Specific Plan's height development standards.

i. Section 7.F: Parking.

Per Section 7.F.1.a of the Ventura/Cahuenga Boulevard Corridor Specific Plan, the Specific Plan defers to LAMC Sec. 12.21.A4(c) for residential parking requirements. The proposed project utilizes Parking Option 1 in accordance with Sec.

12.22A.25(d)(1). The project provides 560 parking spaces within a parking garage and 4 surface parking spaces for the leasing office. As such, the project complies with the parking requirements of the Specific Plan.

- 2. The project incorporates mitigation measures, monitoring measures when necessary, or alternatives identified in the environmental review, which would mitigate the negative environmental effects of the project, to the extent physically feasible.**

The environmental impacts of the Project were assessed by Environmental Impact Report (EIR) ENV-2015-1853-EIR, which included a Health Risk Assessment to evaluate any impacts to residents in association with the Project's proximity to the 101 U.S. Freeway. Project design features and mitigation measures have been identified in the Mitigation Monitoring Program to ensure the Project will mitigate any potentially significant environmental effects associated with the project. All impacts have been mitigated to less than significant levels, as such, no significant and unavoidable impacts have been identified for the Project, therefore, no Statement of Overriding Considerations is required.

Site Plan Review Findings

- a. The project is in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan.**

The Community Plan sets forth the intent to provide for the arrangement of land uses, streets, and services which will encourage and contribute to the economic, social, physical health, safety, welfare, and convenience of the people who live and work in the community. The plan also guides development to create a healthful and pleasant environment.

The Project Site is also within the Ventura/ Cahuenga Boulevard Corridor Specific Plan, the goals of which include assuring an equilibrium between transportation infrastructure and land use development. The Specific Plan provides for an effective local circulation system; which promotes attractive and harmonious site design for commercial development; provides compatible and harmonious relationships between commercial and residential areas when adjacent to each other; promotes and encourages development of pedestrian activity; and maintains the distinct character of each of the five Specific Plan communities located within its boundaries.

The Project Site is situated in the Woodland Hills community north and outside of the Ventura Boulevard commercial corridor. i.e., "off-boulevard," while still within the boundaries of the Specific Plan. The Project Site is located on Clarendon Street, which is designated a local street, and runs parallel to and north of Ventura Boulevard. The Project will meet the objectives and intent of the General Plan, Community Plan and Specific Plan by providing housing in a location that is convenient to commercial services, transit and freeway access. The proposed 335 unit project density is less than the 460 dwelling units that would be permitted under the CR zoning classification that is currently applicable to portions of the Project Site where buildings are located. The Project will also provide 17 units by covenant to be

set aside for Very Low Income households in accordance with LAMC Section 12.22.A.25 and Government Code Section 65915 and an additional 9 units set aside for Very Low Income households not subject to the State Density Bonus Law 65915(C)(2). The addition of 335 residential apartment units will contribute to the pedestrian activity needed in the commercial corridor and further stimulate local business activity.

Residential

- Potential for residential and mixed-use development along commercial corridors.
- Establish appropriate transitions between commercial (mixed use) and adjoining uses, especially residential.
- Complement any unique existing developments/uses.

By providing a range of housing opportunities, the project accommodates an adequate supply of housing units by type and cost. When combined with the established uses near the site, this project contributes significantly to a range of housing opportunities in terms of type and cost.

The 2006-2014 Housing Element of the General Plan is the City's blueprint for meeting the housing and growth challenge. The Housing Element of the General Plan consists of goals, objectives, policy, and design guidelines that pertain to multiple family residential developments, relevant to the proposed project. These include:

Objective 1.1: Plan the capacity and develop incentives for the production of an adequate supply of rental and ownership housing for households of all income levels and needs.

Objective 2.3: Promote sustainable buildings, which minimize adverse effects on the environment and minimize the use of non-renewable resources.

Objective 2.4: Promote livable neighborhoods with a mix of housing types, quality design and a scale and character that respects unique residential neighborhoods in the City.

- b. That the project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, which is or will be compatible with existing and future development on neighboring properties.**

The proposed project has been designed with open space, landscaping, outdoor recreation amenities and articulated building elevations. All of the proposed units have been considered with respect to light and ventilation. The 51,012 square feet of usable open space provided by the Project exceeds the 46,400 square feet of open space required by the Municipal Code.

The Project will have two outdoor courtyards, a dog park area, basketball court, walking trail and communal amenities including benches, BBQs and an entertainment terrace. The open spaces will contain a pool and spa, gym, indoor recreation room, as well as substantial amount of landscaping.

The Project's use and contemporary five-story design is compatible with surrounding development, which includes office, commercial and multi-family housing which ranges from one to five stories. The design is compatible with the Residential Design Guidelines which include elements such as minimal driveway curb cuts, integrated usable open spaces and a high degree of architectural compatibility with articulated landscaping. The site plan design provides large courtyard areas open to solar access to the south, with large section of building setback providing dramatic articulation viewed from all sides. The Project will comply with the RAS and Specific Plan setback requirements. The Project's building mass will buffer the Project's outdoor courtyards from the freeway to the north of the Project Site.

The Project's northern façade is well articulated, including the parking garage element, which provides a pleasing visual element as viewed from the 101 freeway. The height and bulk of the building will be compatible with the existing development along the street.

The Project will provide 564 automobile parking spaces, which exceeds the 486 parking spaces required under Parking Option 1 of the Density Bonus Ordinance. Automobile parking will also be concealed from Clarendon Street, and the Project will provide 369 bicycle parking spaces in accordance with the City's Bicycle Parking Ordinance. The parking garage entry will be accessible from two different locations on Clarendon, one will be west of the terminus of Glade Avenue and the other on the east end of the project. In addition, there is a fire lane provided for emergency access at the west end of the site giving access to the rear of the site.

Height

Section 7.E.1.e of the Specific Plan states that buildings shall be limited to a height of 45 feet. The proposed building height is 56 feet as measured from the lowest point of grade to the tallest point of the building. The Project includes a 5% set aside for Very Low Income households and has requested an off-menu waiver of development standards to permit the 11 additional feet in height. This additional height is necessary to allow the Project to provide units with 9 foot ceilings, which is a feature that has become expected in the apartment rental market, and to avoid the loss of significant open space and amenities that would occur if the Project were to eliminate the building's fifth story. Loss of either the 9 foot ceilings or the open space and amenities would significantly reduce the rental value of the Project's 5% Very Low Income set-aside. In addition, at its November 17, 2016 meeting, the City Planning Commission approved an additional 2.5% (9 units) to be set aside for Very Low Income households, not subject to the State Density Bonus Law, 65915(C)(2). With the waiver of development standards pursuant to LAMC Section 12.22.A.25(g)(3) and Government Code Section 65915(e), the Project is not required to comply with Section 7.E.1.e of the Specific Plan.

Bulk/Massing

The subject property is located in an urbanized area characterized by buildings ranging from one story single family homes, one to three story office buildings and an

a three-story, 85 unit apartment building. The 56-foot tall building would will be provide side yards set back from adjacent residential single family homes approximately 33 feet, 8 inches from the west and approximately 33 feet from the east to the nearest building. The proposed RAS Zone would permit 460 residential units, however, the project proposes 335 residential units, 17 of which would be set aside for Very Low Income units. The project has requested off-menu waivers for the FAR and height to permit a 2.1:1 FAR and a height of 56 feet. The building is further located "off-boulevard" within the Ventura-Cahuenga Boulevard Specific Plan which permits variable front yard setbacks to break up the building frontage and provide articulation. The project provides a variable front yard of between 18 inches and 10 feet.

The façade of the proposed building is highly articulated with balconies, railings, and varied building materials. Furthermore, the project includes a ground floor leasing office and a "Hub" flex- space to provide office amenities to residents while creating visual interest along the street frontage.

Building Materials

The proposed design is a contemporary style. The primary components of the exterior façade consist of painted plaster finish, metal, and windows of varying sizes. Large glass storefront windows, open balconies, patio doors, and entrances are integrated into the main façades. Glass and metal screenings are used for all balcony areas. The architectural components of the building are defined by a change in building material and through a change in architectural details. Similarly, the ground floor of the building is defined by the use of large vertical windows and horizontal awning.

Setbacks

The Project is subject to Section 7.A of the Specific Plan which addresses Yards and Setbacks. The proposed project complies with the requirements of Section 7.A.2.a which provides that lots in the Community Commercial Plan Designation area shall have a maximum front yard setback of 10 feet, and a minimum 18 inch landscaped front yard setback. All side yards and rear yards of the proposed project are provided in conformance with the Specific Plan requirements, and LAMC 12.11.5.

Parking

Specific Plan Section 7.F. specifies minimum parking standards, however, the Project includes a 5% set-aside for Very Low Income households and will utilize Parking Option 1 in accordance with LAMC Section 12.22.A.25 and Government Code Section 65915(p)(1), which preempt other applicable parking requirements and would require 486 parking spaces for the Project. The Project will provide 564 automobile parking spaces, which is 78 spaces more than required by Parking Option 1The Project will also provide 369 total bicycle parking spaces. In addition, at its November 17, 2016 meeting, the City Planning Commission approved an additional 2.5% (9 units) to be set aside for Very Low Income households, not subject to the State Density Bonus Law, 65915(C)(2). Therefore the Project complies with the parking requirements of the Specific Plan.

Driveways

The Project is not subject to Section 7.C. which requires a project review for sites with multiple driveways and a linear lot frontage less than 250 feet. The Project includes two driveways providing vehicular access to the site, which will reduce the number of

existing driveways from six to two, increasing pedestrian safety by minimizing pedestrian/vehicle conflicts.

Landscaping

The Project is subject to Section 7.D.2 and 7.D.3 which specify landscaping requirements for parking structures, yards setbacks and frontages. Section 7.D.2 requires parking structures screen automobiles in the garage from view by pedestrians and adjacent buildings, except as recommended by the Los Angeles Police Department for safety purposes. The Project will be served by a 5 story 6-level garage that will be screened and hidden from street view by a residential building designed to wrap around the parking structure and thus complies with this requirement. Section 7.D.2 also provides landscaping requirements for the parking structure perimeter and roof. As shown on the Project's conceptual landscape plan, the Project's parking structure includes rooftop trellises with vine plantings in compliance with Section 7.D.2.c. Specific Plan Section 7.D.2.b does not require the Project to provide a ten foot landscape buffer around the parking structure's surface perimeter because the structure is wrapped by the residential building and thus is located immediately adjacent to other structures. Section 7.D.3 requires that at least 60 percent of all front yards or front yard setbacks in excess of 18 inches be landscaped and the remainder finished to City standards for sidewalks or with other paving materials. The Project complies with these requirements, as shown on the conceptual landscape plan.

Equipment/Trash Collection

Roof-top mechanical equipment, will be screened from adjacent residential uses and will be enclosed. Refuse and recycling containers will be enclosed and not visible from, or located adjacent to residential uses.

- c. The project provides recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.**

The Project will provide open space and recreational opportunities in excess of City requirements. While a total of 46,400 square feet of open space is required, the Project will provide 51,012 square feet including, three courtyards (approximately 1,101 square feet, 4,631 square feet and 15,730 square feet, respectively) perimeter open space, amenities and private decks. The courtyards will be open to solar access to the south and will be buffered from the freeway by Project's building mass to the north. The Project contains an amenities including an entertainment terrace with fireplace and lounge, communal dining tables, bbq center, specimen trees, walking trail, play area with benches and shade structure, swimming pool, spa, lawn furniture and dog park. There is also an approximately, 3,400 square foot clubhouse and fitness center provided for additional recreational opportunities.